STATE OF CALIFORNIA JOHN CHIANG,

STATE CONTROLLER'S OFFICE PERSONNEL/PAYROLL SERVICES DIVISION P. O. BOX 942850 Sacramento, CA 94250-5878

DATE: February 7, 2011

TO: All Agencies and Campuses in the Uniform State Payroll System

FROM: Lisa Crowe, Chief

Personnel/Payroll Services Division

RE: PAYROLL PROCEDURES MANUAL – JANUARY REVISION # 01 - 11

The Internet version of the Payroll Procedures Manual (PPM) has been updated and the sections below have been replaced with the current PDF version for January 2011. The manual can be obtained by accessing the State Controller's Office public web site at: California State Controller's Office: Payroll Procedures Manual.

Vertical revision bars in the right margins indicate additions, deletions, or changes. Revision bars are not inserted for format and minor grammatical changes.

The revised sections for the January 2011 PPM are provided below.

Section E: 803: Calculating SDI/Rates, updated.

Section H: 102: Computation of Withholding Tax, updated.

111: California Personal Income Tax Formula Effective 01/01/11 Annualized Percentage Method, updated.

118: New York Personal Income Tax Withholding Formula Effective 01/01/11 Annualized Method, updated.

- 119: Illinois Personal Income Tax Withholding Formula Effective 01/20/11 Annualized Method, updated.
- 214: Retirement ID, Exclusion Amounts and State Share Rates, updated
- 256: Contribution Rate/Limitation on Deductions, contribution rates, updated.
- 275: Contribution Rate/Limitation on Deductions, contribution rates, updated.
- 302: Multiple Garnishments, updated.
- 316: Computation Federal Tax Levy Code 339/003 (GC 926.8), updated.
- 620: United States Savings Bonds, updated.
- 621: Savings Bond Account through November 2010, updated.
- 622: Undeliverable Savings Bonds, updated.
- 623: Correspondence, updated.
- 624: Replacement U.S. Savings Bond Process, updated.
- 625: Purchasing U.S. Savings Bonds, new.
- 625.1: Online System, U.S. Savings Bonds, new.
- 625.2: Paper Bonds, new.
- 626: MyCALPays, new.

Section I: 200: Introduction, Custodian of Records contact, updated.

Section N: 129.1: Personal Use of a State Vehicle, updated.

129.1.2: Vehicle Cents per Mile Rule, Fair Market Value, updated.

129.2.2: Vehicle Cents per Mile Rule, Fair Market Value, updated.

130.2: References, IRS Procedures, updated.

130.2.2: General Information, Federal Standard Mileage Rates (FSMR), updated.

137.2: Group Term Life Insurance (CSU), CSU Technical Memorandum, updated.

139.1: Chancellor's Doctoral Incentive Program, CSU Coded Memorandum, updated.

139.1.2: General Information, updated.

147.2.2: Moving Expense Mileage, FSMR, updated.

171: Withholding Requirements, Fringe Benefits/Employee Business Expenses, updated.

175: Special Accounting Period, updated.

PLEASE NOTE: For instructions to subscribe or unsubscribe to the Automated LISTSERV Management System (LISTSERV), go to: <u>California State Controller's Office: Payroll Procedures Manual</u>.

If you have any comments/suggestions or questions that would benefit the PPM, please contact Alice Contreras at 916-322-0683 or via email acontreras@sco.ca.gov.

LC:AC:CSS